

2008 HIGH COST AREAS LOW INCOME HOUSING TAX CREDITS

Section 42(d)(5)(C) of the Internal Revenue Code defines a Qualified Census Tract as any census tract or equivalent geographic area in which at least 50% of households have an income less than 60% of the Area Median Gross Income (AMGI). Section 42 defines a Difficult Development Area as any area designated by the Secretary of HUD as an area that has high construction, land and utility costs relative to the AMGI.

When an area, which can be a county or a specific census tract, is designated as either a Qualified Census Tract or a Difficult to Develop Area, a project proposed for a high cost area is eligible for an increase in eligible basis of up to 130%. This means that a greater amount of tax credits than otherwise available may be approved, if it is determined that the greater amount is needed for financial feasibility of given projects.

MONTANA BUREAU OF CENSUS DESIGNATED QUALIFIED CENSUS TRACTS

<u>County/Metropolitan Area</u>	<u>Tract(s)</u>
Big Horn County	9403.00, 9406.00, 9407.00
Blaine County	9401.00, 9402.00
Great Falls MSA, Cascade County	5.00, 6.00, 7.00, 8.00
Chouteau County	9401.00
Daniels County	9402.00, 9403.00
Gallatin County	6.00, 9.00, 11.00
Glacier County	9401.00, 9402.00, 9403.00
Golden Valley County	1.00
Hill County	403.00, 9401.00, 9402.00
Lake County	9405.00
Lewis and Clark County	9.00
Lincoln County	5.00
Missoula MSA, Missoula County	2.01, 3.00, 5.00, 7.00
Phillips County	9402.00
Pondera County	9403.00
Ravalli County	8.00
Roosevelt County	9401.00, 9402.00, 9404.00
Rosebud County	9404.00
Sanders County	9401.00
Sheridan County	9402.00
Silver Bow County	1.00
Valley County	9405.00
Billings MSA, Yellowstone County	2.00, 3.00

2008 MONTANA HUD DESIGNATED DIFFICULT TO DEVELOP AREAS

Beaverhead County
Meagher County
Ravalli County

Flathead County
Mineral County

Madison County
Park County